



State Bulletin: 300-17-1

Date: October 17, 2016

Subject: LTP – Agriculture Conservation Easement Program – Wetland Reserve Easement

Action Required By: January 16, 2017

Purpose. To announce an NRCS FY 2017 Sign-up Period and Ranking for the Agriculture Conservation Easement Program (ACEP) - Wetlands Reserve Easement (WRE) Component.

Expiration Date. September 30, 2017

Background. The Agriculture Conservation Easement Program (ACEP) was established by the Agriculture Act of 2014, in February 2014. ACEP is comprised of two components – Agriculture Land Easements (ALE) and Wetland Reserve Easements (WRE). This bulletin will address Wetland Reserve Easements (WRE).

The purpose of the ACEP-WRE as established in Section 1265(b) of the ACEP statute is to restore, protect, and enhance wetlands on eligible land.

Explanation. ACEP-WRE offers three enrollment options in 2017

- *Perpetual Easement* is a conservation easement in perpetuity. USDA pays 100 percent of the easement value (easement value = fair market value x .85) and up to 100 percent of the restoration costs.
- *30-Year Easement* is an easement that expires after 30 years. USDA pays up to 75 percent of the easement value and up to 75 percent of the restoration costs.
- *30 year Contract for Acreage owned by an Indian Tribe.* Tribal lands are eligible for 30-year contracts that offer the same compensation rates as a 30-year easement.

Note: Land enrolled in ACEP-WRE is ineligible for any other USDA program payment for the life of the enrollment (perpetuity or 30 years).

Length of Ownership Requirement - The 2014 Act modified the length of ownership requirement from seven years to two years (24 months). Further, the Act authorizes the waiver of this requirement under limited circumstances. A 24-month Ownership Waiver Request worksheet is attached to this bulletin. Ownership waiver requests must be submitted with the application by **January 16, 2017**.

Landowner Eligibility

Applicants must provide a deed or other instrument evidencing land ownership for every offered property at the time of application.

All landowners listed on the deed must work with the Farm Service Agency (FSA) to establish customer records and comply with Highly Erodible Land (HEL), Adjusted Gross Income (AGI) and Wetland Conservation (WC) requirements.

Land Eligibility

Land eligibility is determined through an on-site visit by a team of NRCS (Field, Area, and State) and partner specialists. The team will complete the following items:

- Ranking worksheet
- Preliminary planning sufficient to develop a cost estimate for the ranking and to ensure compatibility with landowner goals
- Verification of water rights
- Hazardous Materials Field Inspection Checklist
- Hazardous Materials Landowner Interview Checklist
- Landowner Disclosure Worksheet
- Identification of on-site and off-site issues
- Preliminary Certificate of Inspection and Possession
- Verification of the proposed easement boundary
- Verification of ingress-egress access
- Creation of a preliminary WRPO

Access - It is the landowner's responsibility to provide sufficient legal access to the easement area. Sufficient legal access for ACEP-WRE purposes must be an insurable unconditional and transferable legal right of recorded access for the term of the easement. In accordance with existing policy, States must request and verify that the landowner has sufficient legal access up-front as a condition of eligibility. If the landowner does not have sufficient legal access to the property, the land is not eligible for ACEP-WRE.

Ranking - Ranking and eligibility determinations will be completed by **February 17, 2017**. The initial ranking process will be completed as part of an on-site field investigation completed by NRCS (with the landowner, state wildlife agency, and FWS when available). The ranking form is attached to this Bulletin.

Easement Compensation - WRE compensation will be based on 85% of the average Fair Market Value (FMV) based on an appraisal meeting the Uniform Standards for Professional Appraisal Practices (USPAP). The 2017 GARC Not to Exceed (NTE) value for Idaho is \$5,000 per acre. Compensation will not exceed that per acre rate.

Agreement and Deed Requirements - A WRE Warranty Easement Deed and Agreement to Purchase are attached to this Bulletin.

Required Plans - All ACEP-WRE enrollments must have a preliminary Wetland Reserve Easement Plan of Operations (WRPO) completed prior to obligation of funds (**July 7, 2017**)

and must include preliminary WRPO cost estimates. A final WRPO must be completed prior to easement closing.

Application Process

Follow the ACEP-WRE Business Process – Easement Action Details document and the ACEP-WRE Application Package document are attached to this bulletin.

Complete application packages must be received in the Idaho State Office by **January 16, 2017**. Applications received after that date will be deferred to the next application period. Incomplete applications or missing eligibility documentation will be deferred to the next application period.

All ACEP-WRE applications tentatively selected for funding must have first and second level Internal Control (IC) reviews completed prior to agreement execution and obligation of funds. Easements exceeding a \$250,000 threshold will require an additional national level review.

Contact. If you have questions or concerns contact Wade Brown, Easement Specialist at 208-685-6987 or email Wade.Brown@id.usda.gov.

/s/

CURTIS ELKE
State Conservationist

Attachments:

Landowner Required Documents
2017 WRE Business Process
Submission Package Checklist
CPA 1200 Application
1199A Direct Deposit Form
2017 Ranking Worksheet
Preliminary Certificate of Inspection and Possession
Agreement for the Purchase of Conservation Easement (2/2015)
Warranty Easement Deed (7/2014)
Ownership Waiver Worksheet
Hazardous Materials Field Inspection Checklist
Hazardous Materials Landowner Interview Checklist
Landowner Disclosure Worksheet